



DEBRA K. DAVENPORT, CPA  
AUDITOR GENERAL

STATE OF ARIZONA  
OFFICE OF THE  
AUDITOR GENERAL

WILLIAM THOMSON  
DEPUTY AUDITOR GENERAL

December 15, 2008

The Honorable Tom Horne  
Superintendent of Public Instruction  
Arizona Department of Education  
Executive Officer  
Arizona State Board of Education  
1535 West Jefferson Street  
Phoenix, AZ 85007

**Subject: Colorado City Unified School District No. 14**

Dear Mr. Horne:

In our July 2007 letter to you, we requested that the Arizona State Board of Education take action on Colorado City Unified School District No. 14 because the District had not complied with the *Uniform System of Financial Records* (USFR).

We subsequently performed a status review of the District's internal controls as of August 14, 2008. Our review covered the deficiencies we had previously communicated to management and deficiencies included in the District's June 30, 2007, audit reports and USFR Compliance Questionnaire, as well as other internal control deficiencies we were aware of at the time of our review. The purpose of our status review was to determine whether the District was in substantial compliance with the USFR as of the date of our review. Our review consisted primarily of inquiries and selective testing of accounting records and control procedures. The review was more limited in scope than would be necessary to express an opinion on the District's internal controls. Accordingly, we do not express an opinion on its internal controls or ensure that all deficiencies were disclosed.

Based on our status review, the District has complied with the USFR.

In December 2005 the Arizona State Board of Education placed the District in receivership pursuant to Arizona Revised Statutes (A.R.S.) §15-103. The purpose of our status review was not to determine whether the District is financially solvent in accordance with A.R.S. §15-103(J). Accordingly, we do not express an opinion on the District's financial solvency.

The Honorable Tom Horne

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If you have questions concerning this matter, please call Magdalene Haggerty, Accounting Services Director, or me at (602) 553-0333.

Sincerely,

Debra K. Davenport  
Auditor General

DKD/MH/lm

cc: Governing Board

Ms. Carol Timpson, Superintendent

Colorado City Unified School District No. 14

Mr. Peter S. Davis, Receiver for Colorado City Unified School District No. 14

Simon Consulting, LLC

The Honorable Mike File, Mohave County School Superintendent

Mr. Vince Yanez, Executive Director

Arizona State Board of Education

Ms. Vicki G. Salazar, Associate Superintendent of Financial Services

Arizona Department of Education